

From: Derek Schatz
To: Microsoft ATR
Date: 1/25/02 3:25pm
Subject: Microsoft Antitrust Settlement

Dear DOJ-

I wish to express my extreme disappointment in the structure of the settlement with Microsoft. The agreement does not impose any real hardship on Microsoft, and instead lets them capture positive PR by donating money and software to schools. This part of the agreement, by the way, further strengthens Microsoft's market position by encouraging assault on Apple's traditional strong place in education. Overall, there are insufficient penalties and controls on further anti-competitive behavior. Microsoft in their arrogance clearly regards this whole antitrust episode as merely another business issue to deal with, rather than an impetus to fundamentally change the way they do business. The software industry is somewhat unusual in that the nature of platform standardization enables the market leader to erect strong barriers to entry against new competitors. This is why Microsoft must be limited in a greater fashion than would a market leader in a more traditional type of industry.

Sincerely,
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